

Old Age, Disability, Death

First law: 1956.

Current law: 1992.

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 1,240,000 coupons.

Local authorities and employers may provide supplementary benefits out of their own budgets.

Coverage

All employed persons residing in Georgia. Special provisions for teachers, professional athletes, and test pilots. Special *social pension* for aged, disabled, and survivors not otherwise eligible for social insurance (i.e., employment-related pension) benefits.

Source of Funds

Insured person: 1% of earnings.

Employer: 37% of payroll for state-owned and private enterprises (26% of payroll for budget institutions, e.g. schools, hospitals and government agencies, etc.).

Government: Subsidies as needed. Full cost of *social pensions*. Above contributions also finance benefits for cash sickness, maternity, work-injury, and for family allowances.

Qualifying Conditions

Old-age pension: Age 60 and 25 years of covered employment (men) or age 55 and 20 years of work (women); requirements reduced for hazardous or arduous work, for mothers of 4 or more children or of disabled children, and for the blind. Earnings test for pensioners in gainful employment. *Social pension:* nonworking citizens not eligible for old-age pension and aged 65 for men and 60 for women.

Disability pension: Total disability (incapacity for any work): Group I disability, requiring constant attendance; Group II disability, not requiring constant attendance.

Partial disability (incapacity for usual work): Group III disability. Insured has a minimum of 1 to 15 years of covered employment, depending on age of onset of disability.

Social pensions: disabled citizens not eligible for disability pension or disabled children under age 16.

Survivor pension: Insured has 1 to 15 years of work (depending on age of insured at death), payable to surviving children whether or not dependents of the insured; and to nonworking dependents (including spouse; either parent, if disabled and not yet of pensionable age; grandparents, if no other support available; and other relatives—regardless of their age or ability to work—if employed by the deceased to care for grandchildren, children, or siblings under age 8).

Social pension: payable to qualified surviving dependents who are ineligible for survivor pension due to insufficient length of covered employment of insured.

Old-Age Benefits

Old-age pension: 55% of average earnings (average wage in last year or last 5 years, whichever is higher), plus 1% of earnings for each year in excess of 25 (men) or 20 (women) years of work.

Payable monthly.

Minimum: 100% of minimum wage.

Social pension: 100% of minimum pension per month.

Partial pension (if insufficient years of covered employment):

Monthly benefit reduced in proportion to number of years below required years of coverage.

Adjustment: Periodic benefit adjustments (in flat amount added to existing pensions) according to cost of living changes.

Permanent Disability Benefits

Disability pension: Group I disability pension, 55% of earnings (100% of old-age pension if 25 years of covered employed for men or 20 years for women) plus supplement for constant attendance; Group II disability, 55% of earnings (or 100% of old-age pension if 25 years of covered employment for men or 20 years for women); Group III disability, 30% of earnings.

Minimum: Group I and II disability, 100% of minimum old-age pension; Group III disability, 50% of minimum old-age pension. Partial pension (if insufficient years of covered employment):

Monthly benefit reduced in proportion to number of years below required years of coverage.

Social pension for Group I disability if disability began in childhood, and disabled children under age 16: 100% of minimum old-age pension per month. Group II disability for adults, 50% of minimum old-age pension per month. Group III disability, 30% of minimum old-age pension per month.

Adjustment: Periodic benefit adjustment (in flat amount added to existing pensions) according to cost of living changes.

Survivor Benefits

Survivor pension: Payable monthly at 30% of earnings for each dependent survivor. Minimum pension, 100% of minimum wage (200% if loss of both parents, or death of single mother).

Social pension: for each orphan under age 16 (older if disabled since childhood), 50% of minimum pension.

Adjustment: Periodic benefit adjustment (in flat amount added to existing pensions) according to cost of living changes.

Administrative Organization

Republic Ministry of Labor and Social Protection; general coordination and supervision.

Regional departments of labor and social protection; administration of program.

Sickness and Maternity

First and current law: 1955, as amended in 1984, 1990 and 1992.

Type of program: Dual social insurance (sickness and maternity benefits) and universal (medical care) systems.

Coverage

Cash benefits for sickness and maternity: Persons in covered employment; on leave from employment while pursuing secondary, technical or advanced education; and registered unemployed.

Medical benefits: All residents.

Source of Funds

Insured person: See pension contributions above.

Employer: Same.

Government: **Cash benefits:** see pension contributions above;
medical care: whole cost.

Qualifying Conditions

Cash and medical benefits: Sickness benefits according to length of service. No minimum qualifying period for medical care and maternity benefits.

Sickness and Maternity Benefits

Sickness benefit: 60% of last month's wage, if less than 5 years' uninterrupted work; 80% if 5-8 years; 100%, if over 8 years.

Maternity benefit: 100% of wages. Benefits payable monthly for 70 days before and 56 calendar days after confinement (latter may be extended to 70 calendar days in case of difficult birth or multiple births).

Workers' Medical Benefits

Medical benefits: Medical services provided directly by government health providers, including general and specialist care, hospitalization, prostheses, medication, and other medical care services.

Dependents' Medical Benefits

Medical benefits for dependents: Same as for head of household.

Administrative Organization

Cash benefits for sickness and maternity: Ministry of Labor and Social Protection; general supervision. Provided directly by the enterprises, as well as by local departments of labor and social protection.

Medical care: Ministry of Public Health and health departments of local governments, general supervision and coordination; provision of medical services through government clinics, hospitals, maternity homes, and other facilities administered by the Health Ministry and local health departments.

Work Injury

First and current laws: 1955 (short-term benefits) and 1991 (pensions).

Local authorities and employers can provide supplementary pension benefits out of their own budgets.

Type of program: Dual social insurance (cash benefits) and universal (medical care) system.

Coverage

Cash benefits: Employed persons.

Medical care: All residents.

Source of Funds

Insured person: See pension contributions, above.

Employer: Same.

Government: Same; cost of medical care.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: 100% of earnings. Payable from first day of incapacity, until recovery or award of disability pension.

Permanent Disability Benefits

Permanent disability pension: Same as general disability pensions above.

Workers' Medical Benefits

Medical benefits: Medical services provided directly to patients by governmental health providers, including general and specialist care, hospitalization, laboratory services, transportation, plus full cost of appliances and medicines.

Survivor Benefits

Survivor pension: Same as general survivor pensions above.

Administrative Organization

Temporary disability benefits: Enterprises and employers pay benefits to own employees.

Pensions: Same as under old-age, disability and survivor pensions above.

Medical care: Republic Ministry of Health, and health departments of local governments, general supervision and coordination; provision of medical services through clinics, hospitals, and other facilities administered by the Health Ministry and local health departments.

Unemployment

First and current law: 1991 (effective July 1993).

Type of program: Social insurance system.

Coverage

Citizens aged 16-59 (men) or 16-54 (women).

Source of Funds

Insured person: None.

Employer: 3% of payroll.

Government: Subsidies as needed from Republic and local governments.

Qualifying Conditions

Unemployment benefit: Registered at employment office; ability and willingness to work. Benefits may be reduced, suspended or terminated if worker is discharged for violating work discipline; leaving employment without good cause; violating conditions for job placement or vocational training; or filing fraudulent claims.

Unemployment Benefits

Unemployment benefit: Unemployment benefits are paid for 6 months, equal to 200% of subsistence wage for months 1-2; 250% for months 3-4; 200% for months 5-6.

Adjustments: a flat-rate of cost-of-living adjustment is paid monthly according to price changes.

Administrative Organization

Republic Ministry of Labor and Social Protection: general supervision.

State Employment Exchange and regional employment exchanges, administration of program.

Unified State Fund of Employment: Financing of the program.

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Note: Information is not readily available for "Family Allowances."